

Notice of Allowability

Application No.

09/986,670

Applicant(s)

KAVANAUGH, BART

Examiner

JAGDISH PATEL

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 09/05/2004.
2. ☒ The allowed claim(s) is/are 100, 102, 111-114.
3. ☒ The drawings filed on 23 January 2002 are accepted by the Examiner.
4. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) ☐ All b) ☐ Some* c) ☐ None of the:
 1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

5. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
 6. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
 - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
 - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.
 - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).**
7. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. ☒ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☐ Information Disclosure Statements (PTO-1449 or PTO/SB/08),
Paper No./Mail Date _____
4. ☐ Examiner's Comment Regarding Requirement for Deposit
of Biological Material
5. ☐ Notice of Informal Patent Application (PTO-152)
6. ☒ Interview Summary (PTO-413),
Paper No./Mail Date 4/13/05
7. ☒ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other _____

DETAILED ACTION

1. This communication is in response to amendment filed 9/5/2004.

Response to Amendment

2. Claim 115 has been canceled; claims 100 and 113 have been amended per request. Claims 103-110 have been canceled by the examiner's amendment (see below). Claims 100, 102, 111-114 are pending and have been allowed.

EXAMINER'S AMENDMENT

3. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Attorney Jon D. Grossman (Reg. 53,435) on 4/13/05.

In the Claims:

Claims 103-110 (canceled).

Reasons for Allowance

4. The following is an examiner's statement of reasons for allowance:

The claimed inventions pertain to a method of managing combined life insurance and annuities for a group of insured persons.

The following prior art references have been deemed most relevant to the allowed claim(s):

Atkins (US Pat. 5,884,285) teaches a method of personal finance management which gives a mortgagor the opportunity to maximize his investment earnings by a variety of means including distributing the monies that would normally be used to amortize the mortgage among assets that give him the greatest return. Atkins teaches that mortgagor option to use the funds that would otherwise have been used to amortize the mortgage to make a contribution to a pension or retirement account such as an IRA, KEOGH, S.E.P. or corporate pension plan. Alternatively, the mortgagor may purchase "tax favored" investments such as life insurance or annuities in which earnings on premium payments, or "insider buildup", are not taxed until they are withdrawn.

Hagan (US 5,864,685) discloses an account structure which is made up of one or more annuity contracts or life insurance contracts, each of the contracts being owned by one or more individual subscribers. Premiums are paid for the contracts being invested in one or more depository accounts, insured by deposit insurance, at one or more financial institutions. Hagan discloses another preferred embodiment wherein annuity contracts are structured in one or more irrevocable trusts, with each subscriber's principal and/or income placed in a trust corpus of one of the irrevocable trusts.

Radding et al.(WO 95/23379) discloses a data processing system and method for maintaining an insured savings account which comprises management of one or more fixed or variable annuity

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contacts. Premiums paid for the variable annuity contacts are invested in one or more depository accounts.

Bruce S Udell; Muni-bond alternative combines Life insurance and annuities

National Under-writer, Cincinnati, Jul 12, 1999; teaches a muni-bond alternative which combines an immediate annuity with a life insurance policy to produce a comparable income to a muni-bond, but without the estate tax. However, for clients to utilize the muni-bond alternative, they must sell their muni bonds. They then use part of the proceeds from the sale to pay the first premium on a life insurance policy with a face amount equal to the market value of the muni bonds that were sold.

Gordon Giacomini, Paired for life C.A. Magazine, Toronto, Nov 1999, teaches a method of increasing after-tax return without increasing risk by purchasing a life annuity - a combination that is commonly referred to as an insured annuity arrangement. With an insured annuity, an initial sum of capital is used to purchase the annuity that then provides a regular payment stream during the investor's life. The advantages of combining an annuity with a life insurance policy are discussed.

The references deemed closest prior art and discussed above fail to teach or suggest a method of managing combined life insurance and annuities for a group of insured persons which comprise at least the following steps:

Claims 100,102, 111 and 112: Having acquired through a first entity at least one annuity for each insured person (of a group of insured persons) using a portion of financing arranged from a commercial lender, wherein the first entity is owned by a second entity that is of a tax favored nature, and wherein each annuity (of the combined life insurance and annuities for a group of insured persons) provides an income stream that is allocated to the second entity so that it receives tax favored treatment.

Claims 113-114: acquiring or having acquired through a first entity at least one annuity for each insured person (of a group of insured persons), wherein the first entity

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is owned by a second tax favored entity and allocating the income stream from each annuity to the second entity so that the income streams receive tax favored treatment.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

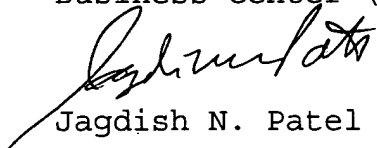
The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (571) 272-6748. The examiner can normally be reached on 800AM-600PM M-Th.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (571)272-6747. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3624)

4/18/05